Office of the
Healthcare
Advocate
STATE OF CONNECTICUT

Testimony of Victoria Veltri
Healthcare Advocate & General Counsel
Before the Public Health Committee
In support of HB 5038
March 7, 2012

Good afternoon, Representative Ritter, Senator Gerratana, Senator Welch, Representative Perillo, and members of the Public Health Committee. For the record, I am Vicki Veltri, the State Healthcare Advocate with the Office Healthcare Advocate ("OHA"). OHA is an independent state agency with a three-fold mission: assuring managed care consumers have access to medically necessary healthcare; educating consumers about their rights and responsibilities under health insurance plans; and, informing you of problems consumers are facing in accessing care and proposing solutions to those problems.

Governor's Bill 5038 concerning an All-Payer Claims Database (APCD) represents an important step in Connecticut's comprehensive health reform efforts. This effort will collect claims data from health insurance payers, public and private, into a single, integrated system, enabling stakeholders to gain unprecedented perspective into trends related to healthcare utilization, delivery, quality and more.

The proposed database will collect medical, pharmacy and dental eligibility and claims data that includes charges and payments, treating provider, clinical diagnosis and procedure codes, as well as patient demographics, into a single, unified database that will be accessible to all interested parties. The APCD will enhance the stakeholder's ability to promote healthier outcomes, improve access to services and reduce systemic costs by drastically improving the transparency of healthcare systems and delivery. This access makes possible vigorous data synthesis and analytics that will facilitate examination of important research and policy questions by and for consumers and advocates, MCOs, providers and state entities. Stakeholders can gain valuable insights into critical system components, such as identifying utilization rates across plans, demographics, diagnosis and cost basis with a degree of ease and precision that has never before been possible. For example, if emergency room utilization by Medicaid enrollees is higher than for those with commercial coverage, what are the drivers? Are there geographic barriers for certain services and, if so, which services and why? Do our residents have access to needed

preventive services? Are our residents taking charge of their healthcare through the management of their chronic conditions? Answers to questions like these will assist policymakers to develop targeted system improvements and implementation, from insurance and public program benefit design to public health initiatives, designed to eliminate or mitigate these deficiencies.

Indeed, the benefits of this model has been demonstrated repeatedly on multiple occasions by studies performed by Connecticut Voice for Children from the collection of claims data from Medicaid over time. In one example, claim data from the Department of Social Services concerning utilization of HUSKY dental services was examined following the implementation of systemic changes. Analysis of the efficacy, efficiency and quality of outcomes was not readily discernible through traditional models, but the macroscopic examination of the claims data illustrated significant trends indicating that the program's goals were being met. The Comptroller's office also analyzes claims data for state employees and retirees in an effort to continually improve healthcare delivery and contain costs.

Lessons learned from other states that have implemented successful APCDs, as many of our neighbors have, demonstrate the beneficial policy implications that have derived from this tool. New Hampshire's experience includes the identification of key differences in premiums, cost per diagnosis, rates of reimbursement across carriers and facilities, geographic and demographic prevalence of specific diagnosis, and comparisons of ED utilization by carrier and diagnosis. The APCD will permit users to identify important healthcare trends in Connecticut at a level of precision that will enable narrowly focused adjustments to healthcare delivery and payment models.

One area of persistent concern involved in the implementation of the APCD considers patient privacy and the security of the data collected. However, to mask the identity of patients and ensure privacy, the APCD's architecture will encrypt, aggregate and suppress patient identifiers, as well as apply vigorous security protocols consistent with national guidelines developed by the APCD Council and the National Association of Health Data Organizations. Indeed, at least nine states have already implemented APCDs, with several more in the implementation phase, and the literature identifies no data breach. OHA will be part of a working group that will ensure that regulations implementing the APCD safeguard the privacy of individual patients. Prior to implementation of an APCD, OHA will demand testing of all potential uses to guarantee protection of protected health information and patient privacy.

We should not delay the authority to establish an APCD in Connecticut. It is an important next step in our health reform efforts. HB 5038 represents a bold step into the future of healthcare and allows us to harness our technological capabilities, creative innovation and belief in social justice for the personal, financial and equitable benefit of all of Connecticut's citizens.

Thank you for providing me the opportunity to deliver OHA's testimony today. If you have any questions concerning my testimony, please feel free to contact me at victoria.veltri@ct.gov.

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